

Statement

Statement on Share Repurchase Disclosure Modernization



Chair Gary Gensler

Dec. 15, 2021

Today, the Commission is considering enhancing the disclosures around share buybacks. I support these amendments because, if adopted, they would increase transparency into the market.

Share buybacks have become a significant component of how public issuers return capital to shareholders. I think we can lessen the information asymmetries between issuers and investors through the timeliness of the disclosures.

Today's proposed amendments would require an issuer to provide more timely information on their share repurchases — one business day after a trade is executed. This is in contrast to the current reporting requirements, which provide only quarterly disclosure of aggregated monthly data.

I think investors would benefit from the timeliness and granularity that today's proposal would provide. The amendments also would enhance existing buyback disclosure requirements, including on Form 10-K and Form 10-Q.

Other countries, such as Australia and the United Kingdom, have long required more timely share buyback disclosures next day for certain disclosures.^[1] I believe freshening up our own share buyback disclosures would help the U.S. capital markets remain the most competitive in the world.

Therefore, I'm pleased to support today's proposal and, subject to Commission approval, look forward to the public's feedback.

I'd like to extend my gratitude to the members of the SEC staff who worked on this rule, including:

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- Joan Collopy, Josephine Tao, and Elizabeth Sandoe in the Division of Trading and Markets;
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- Melissa Hodgman and Rami Sibay in the Division of Enforcement.

[1] See, e.g., Australian Securities Exchange Listing Rule 3.8A requiring listed issuers to file a notification disclosing acquisitions before the commencement of trading on the business day after any day on which shares are bought back; and Financial Conduct Authority (United Kingdom) Listing Rule 12.4.6R requiring certain issuers to file a notification disclosing acquisitions no later than 7:30 a.m. on the business day following the day that the purchase occurred.